BELEN SAVINGS
AND LOAN ASSOCIATION

Belen • Socorro • Grants

November 8, 1977

Mr. Austin D. Lovett
Box 638
Belen, New Mexico

Dear Mr. Lovett,

Enclosed is your Director's Report for the month ending October 31, 1977 and year-to-date. Please review the report and advise me if you wish to discuss any of its content prior to the meeting.

The meeting is scheduled for Tuesday November 15th in the private dining room at Gil's Restaurant and a detailed review of the report will be provided at that time. Lunch will be served at 12:00 noon followed by the Directors' Meeting.

Very truly yours,

John L. Boynton

JLB:rj
Enclosure

BELEN SAVINGS
AND LOAN ASSOCIATION

Belen • Socorro • Lincoln

November 8, 1977

Mr. Austin D. Lovett
Box 659
Belen, New Mexico

Dear Mr. Lovett,

Enclosed is your Director's Report for the month ending October 31, 1977 and year-to-date. Please review the report and advise me if you wish to discuss any of its contents prior to the meeting.

The meeting is scheduled for Tuesday November 15th in the private dining room at Gil's Restaurant and a detailed review of the report will be provided at that time. Lunch will be served at 12:00 noon followed by the Directors' Meeting.

Very truly yours,

John L. Boynton

JLB:rj
Enclosure

the SAVINGS people
BELEN SAVINGS

Belen • Socorro • Grants

November 3, 1977

Dear Mr. Johnson....

Thank you for your request to the invitation I mailed to you. Enclosed is your free booklet entitled "MORE FOR YOUR MONEY". In it is described in detail the various rates paid on different type savings plans offered by us. These rates are the highest legally permitted to be paid for deposits insured safe by an agency of the United States. Interest on these accounts is earned daily so that idle funds can be put to work when not needed and you do not lose the interest when you need to withdraw.

High earnings are important but equally important is the convenience of saving locally. You need not worry about the lack of privacy when saving with us because your account is placed in computer storage, computer safe, and accessable only when you request. You need not worry about the safety of your savings because we invest in first mortgage home loans in the communities we serve, so your money is helping your community. You need not worry when you need important papers copied, travelers checks or money orders because our savers get these and other services free of any charge.

Tax sheltered retirement plans are relatively new and provide many advantages to those who do not have employer-sponsored retirement plans. If you would like more information about our tax sheltered retirement plans without any obligation just call or visit our local community office.

I hope you are persuaded to save with us and give us the opportunity to serve you. If your savings are elsewhere we will transfer your account free of any charge. You can use the transfer form enclosed or drop by our local community office and we will do it for you while you enjoy a cup of coffee... free of charge to our savers.

Call me if you have any questions.

Very truly yours,

Larry Marsh
Asst. Vice President

MEMBER FSLIC
Federal Savings & Loan Insurance Corp
Your Savings Insured to $40,000

Belen Office • 634 Becker Ave., Belen, NM 87002 • 864-4474
Socorro Office • 201 Plaza, N.W., Socorro, NM 87801 • 835-1569
Grants Office • 222 High St., Grants, NM 87020 • 287-4486

NMFC
A Member of New Mexico Financial Corporation

BELEN SAVINGS
AND LOAN ASSOCIATION

Belen • Socorro • Grants

November 7, 1977

FREE BONUS:
If you deposit by the
tenth you get up to
Ten Days Free Interest

Dear Friend,

Perhaps you missed or overlooked the invitation recently mailed to you. We want you to have the opportunity to get your free booklet before the supply runs out. In it you will get full information of how you can get MORE FOR YOUR MONEY from The Savings People with insured safety on your deposits.

Locally, we are the only financial institution which can pay you a higher interest rate for deposits which are insured safe by an agency of the Federal Government. By saving with us you get local convenience and your savings account is maintained "Computer Safe" to assure your account to be private and confidential. If your savings are in an out of town account, we can transfer it free of any charge to our local community office. Here you have the convenience of availability when you need it. There is no need to write or travel elsewhere to get your money.

Our depositors get 5.25% on passbook savings and an annual percentage rate of 8.06% on 6-year bonus certificates with a variety of deposit plans designed to meet your requirements. Our daily compounding of interest actually yields you more than the annual rate of interest on your money. Our deposits are invested in first mortgage home loans in your community. So your savings earn more and your community benefits too.

We offer our savers free services specially designed for their convenience and profit. Services like travelers checks, money orders, notary services, copies of important papers...they're all free of any charge. We have tax sheltered retirement plans and business hours for your convenience, every weekday 9 to 4 except Friday when we are open 9 to 6.

Visit our local community office or complete the enclosed request and mail today - no postage required. By return mail you will receive free of any charge our information booklet that lets you know how to earn More For Your Money.

Very truly yours,

W K Sandusan
President

P. S. Hurry! Get up to TEN Days Free Interest on your Money

Belen • Socorro • Grants

BELEN SAVINGS

June 30, 1977

Dear Belen Savers...

This is to inform you of new and important services to be offered our savers beginning in July when you will get MORE FOR YOUR MONEY with insured safety. Details of our high earning saving plans and the services being offered are described in detail in the enclosed brochure and are now available at any office in Belen, Socorro or Grants.

The interest earned on your certificate at our high daily rate of compounding has been added to the certificate balance to enable those savers who have certificate savings to earn at the higher certificate rate. If you prefer to receive your interest by check, call any convenient office.

Another new and important service will enable individuals and the self-employed to establish retirement plans tax-free under provisions of the Federal Keogh or Individual Retirement Act. When you save for retirement under these plans, you earn more, earnings are tax-free until retirement and deposit-contributions are tax deductible. More information is available on request.

Starting in July, free services will be available for your convenience and profit. At any office, you can get free of any charge...travelers checks, money orders, notary service and copies of your important papers. Instant personal loans on security of your deposit are available at just one percent more than your savings earn.

MEMBER FSLIC
Federal Savings & Loan Insurance Corp.
Your Savings Insured to $40,000

Belen Office • 634 Becker Ave., Belen, NM 87002 • 864-4474
Socorro Office • 210 Plaza, N.W., Socorro, NM 87801 • 835-1569
Grants Office • 222 High St., Grants, NM 87020 • 287-4486

NMFC
A Member of New Mexico Financial Corporation

Shortly, Belen Savings is expected to become a family member of New Mexico Financial Corporation. New Mexico Financial is a registered savings and loan holding company and owns other insured associations in New Mexico. John Boynton, Executive Vice President of New Mexico is advising and assisting in making new services available to you so you can get MORE FOR YOUR MONEY with insured safety.

Please come in and have a free cup of coffee with us while we try to serve you during our new expanded office hours from 9:00 to 4:00 everyday of the week except Friday, when we are open from 9:00 to 6:00.

Very truly yours,

W. R. Sanderson

W. R. Sanderson, President

M E M O R A N D U M

TO: James Trump DATE September 9, 1977

FROM: Deborah Borders

RE: Belen Savings and Loan Association - Comments on Operations

The net income of Belen Savings increased for the months of July and August, 1977 compared to previous months of the year. Also, the income in June would have been up if items not previously accrued would not have been expensed in that month. These items for which there was no accrual are depreciation, contributions and income taxes. The increase in net income can be attributed mainly to four accounts which is interest on loans, income on investments, loan origination fees and interest on savings.

1. Interest on Loans. Since January 1, 1977, first mortgage loans increased $2,108,534. The new loans were made at interest rates higher than the average rate in December. These increases in the average rate and balance will increase the interest income approximately $15,000 a month over 1976 amounts.

   A one-time increase in income in July and August of $33,600 before taxes is due to the computer correctly accruing delinquent interest when previously only one months interest was accrued on delinquent loans.

2. Income on Investments. Since June, liquidity has been invested in federal funds for an increase of $1,980 a month in investment income. Invested in 1st N Bank daily by Bank

   In July, there was a one-time increase by the accrual of 6 months FHLB dividends of $4,842.00.

   The remaining increase is due to an increase in the effective yield on investments to 6.12% from 5.62%.

3. Loan Origination Fees. Belen now takes into income the maximum loan fee of $200 instead of only $100 in addition to the 1% permitted.

   Now Belen charges a higher loan fee when a loan is originated and when a written commitment is made. Thus commitment fees and loan service fees increased net income before taxes by $5,675 in July and August.

COPIES TO:

M E M O R A N D U M

TO: James Trump DATE September 9, 1977

FROM: Deborah Borders

RE: Belen Savings and Loan Association - Comments on Operations Cont'd.

4. Interest on Savings. Offsetting these increases in income is an increase in expense for interest on savings. Interest expense increased because of a change in method of paying interest on C.D.'s, growth in new savings and growth in higher rate C.D.'s. During July and August, the average cost of savings increased to 6.30% compared to the average cost of preceding months of 6.21%.

In summary, it is projected that beginning in September, monthly net income after taxes should approximate $17,500 compared to monthly net income after taxes previously of nearly $15,800.

COPIES TO:

TO _____

AND AN INVITATION
THROUGH WELCOME WAGON
TO COME IN AND VISIT US.

You will enjoy our friendly atmosphere.

the SAVINGS people

BELEN SAVINGS
634 Becker Ave. Tel. 864-4474

BRING THIS CARD WITH YOU AND
RECEIVE A GIFT WITH OUR COMPLIMENTS

_____
WELCOME WAGON HOSTESS

_____
DATE

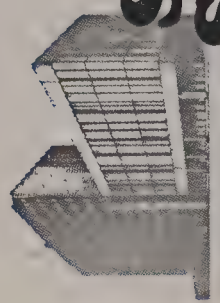
MAY BE REDEEMED WITHIN 60 DAYS

practical answers to

10

questions

on tax-saving individual retirement plans



SANDIA SAVINGS
AND LOAN ASSOCIATION
POST OFFICE BOX 1008 / ALBUQUERQUE, NEW MEXICO 87103

Albuquerque / Clovis / Las Cruces
Roswell / Gallup / Farmington
New Mexico

NMFC A Member of New Mexico Financial Corporation

See how fast your money grows in a tax-sheltered plan!

Currently, Individual Retirement Accounts with our institution can earn up to 7.75% compounded daily, giving an effective annual yield of 8.06%. If you were to contribute $1,500 each year, you would have•

After	With a tax-sheltered plan	Without a tax-sheltered plan	"Extra" money for retirement
5 Years	$ 9,520	$ 6,730	$ 2,790
10 Years	23,550	15,760	7,790
15 Years	44,220	27,860	16,360
20 Years	74,670	44,100	30,570
25 Years	119,540	65,870	53,670
30 Years	185,650	95,070	90,580

Note: Figures assume 25% income tax bracket with contributions made at beginning of year. Substantial interest penalties will be required for premature withdrawals.

Now YOU can build a tax-sheltered retirement fund...!

The mid-1970's should long be remembered as landmark years by anyone not participating in a formal retirement plan. The Pension Reform Law of 1974 allowed such persons to gain, for the first time, substantial tax benefits by creating Individual Retirement Accounts (IRA's). And the Tax Reform Act of 1976 enhanced the advantages of these accounts.

What should you know about IRA's? This folder will tell you. In simple, nontechnical language, it answers 15 frequently asked questions.

To learn	See question
What is an IRA?	1
Whether you can set one up?	2
How you go about it?	15
Whether self-employed persons can establish IRA's?	12
If Internal Revenue Service approval is needed?	13
How much you can contribute?	3
Whether your employer can contribute on your behalf?	11
Whether your contributions are tax-deductible?	5
Whether "extra" contributions can be made?	4
How a tax-sheltered plan saves money?	6
When you can begin collecting your benefits?	8
Whether there is any penalty for premature distributions?	9
How your benefits will be taxed?	7
How benefits are affected by the Federal estate tax?	10
How you can benefit from an IRA if you're already covered by a plan?	14

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As you will discover, an Individual Retirement Account will enable you, your spouse, and your family to live more comfortably, once you're no longer working. Be sure to consult page 8 to learn, in dollar and cents terms, what an IRA with us might mean to you.

After you've read this folder, if you would like further information, simply let us know. We'll be happy to provide full details—and naturally, you'd be under no obligation.

1. What Is an Individual Retirement Account?

An Individual Retirement Account is a personal tax-sheltered retirement plan. It was developed in order to provide all American workers with the opportunity to build a more secure future for themselves and their families.

Corporations have long been permitted to establish retirement plans for their employees. As long as a plan met certain requirements, employer contributions to the plan were fully tax deductible. Likewise, employer contributions on behalf of an employee were not currently taxable to the employee. An employee's share of the plan was taxed only when it was received.

Since 1962, tax deductions for contributions to a retirement plan have also been available to self-employed persons. In that year, Congress determined that these persons, too, should be allowed a tax-sheltered method of saving for retirement. The result was H.R.-10, a law which allowed the self-employed to make tax-deductible contributions to a pension or profit-sharing plan.

While corporate and H.R.-10 plans covered a substantial portion of the population, a large number of workers still had no tax-sheltered means by which to build for retirement. Recognizing that Social Security alone is inadequate, especially in times of inflation, Congress has now provided for Individual Retirement Accounts for those not covered by other plans. Amounts set aside in an IRA may be placed in an account with a

financial institution such as ours. They may also be invested in an annuity or endowment contract, or qualified retirement bonds.

2. Can you establish an IRA?

IRA's are available to millions of people. The main requirement is that you not currently be a participant in any other retirement plan. If you're married, and both you and your spouse work, you can each set up an IRA. If only one of you works, an IRA can be established to benefit both of you.

3. How much can you contribute to your IRA?

Federal law allows a maximum annual contribution of $1,500 or 15% of wages, whichever is less, to an IRA set up for an individual wage-earner. A maximum of $1,750 or 15% of wages, whichever is less, is generally allowed where an IRA benefits both wage-earner and nonworking spouse. Contributions may, of course, be made for less than the maximum amount allowed.

4. What happens if you contribute too much in any year?

Except in special circumstances, if more than the maximum allowable in any year is contributed, a 6% tax will be imposed on the excess contribution.

5. Are your contributions tax deductible?

Yes. For Federal income tax purposes, your contributions to an IRA are fully deductible from gross income up to the maximum allowed by law. Contributions can be deducted even though you don't itemize deductions.

6. Do you pay taxes on the income earned by your account?

The earnings of your account are not currently taxable. Each dollar of earnings produces additional dollars which also escape current income taxation. This tax-free compounding continues until retirement.

7. When do you pay taxes on your account?

Your account, including principal and earnings, is not taxed until you receive payments from it. If you receive your account in a lump sum, you must include the entire amount as ordinary income on the return filed for the year of receipt. However, you may be eligible to use the five-year income averaging provisions available to all taxpayers.

If funds from your account are paid to you periodically, you will pay taxes only on the amount you receive each year.

Whichever way you receive your account, however, you will probably pay less in taxes than you would have if the amounts put away each year, and the earnings on them, had been included in your income during your working years. The reason: an employee in retirement generally receives less income, and pays taxes at lower rates, than he did while he was working. And if he is 65 or older, he qualifies for a double exemption on his income tax return. If he is married, he and his wife will have four exemptions once she also reaches 65.

8. When can you receive payments?

As a practical matter, no payments can be made to you before you reach age 59½, unless you become permanently disabled. If your death should occur sooner, funds in your account will be paid to your named beneficiary. You must begin to receive payments from your account by the time you reach age 70½.

To actually receive the funds, you simply notify us of the date you wish the payments to begin. We will supply you with the appropriate forms, upon which you can elect to receive either a lump sum or periodic annuity payments.

9. What happens if you take your account before age 59½?

If you recieve all or a part of your account before age 59½, and are *not* disabled, you'll pay a stiff tax penalty.

Not only will you have to include the amount received in your ordinary income for the year of receipt, but a Federal penalty tax equal to 10% of the amount received will be imposed.

10. If you die before retirement, does your estate pay taxes?

Not necessarily. If you provide for funds in your account to be paid to a beneficiary (other than your estate) in the form of substantially equal payments over a period of at least 36 months, they *will not* be included in your estate for Federal estate tax purposes. In contrast, funds from the account paid to beneficiaries in a lump sum *will* be included.

11. Can your employer contribute to your IRA?

If you are not a participant in a retirement plan sponsored by your employer, he may contribute to an IRA on behalf of you and your nonworking spouse, or on your behalf alone. Although you must report the amount contributed for you as income, you may also deduct the contribution.

12. Can self-employed persons establish an IRA?

As noted earlier, Federal law has permitted self-employed persons to establish H.R.-10 retirement plans since 1962. However, under an H.R.-10 plan, if a self-employed person wishes to contribute on his own behalf, he is also required to contribute on behalf of his employees. The new law specifically allows a self-employed person to instead establish an IRA without the need to contribute on behalf of his employees.

13. Is Internal Revenue Service approval needed?

Yes. However, we assume the responsibility for seeing that our Individual Retirement Accounts are approved by the Internal Revenue Service. So if you open an account with us, there's no delay or red tape as far as you are concerned.

14. Is there any way a participant in a plan can benefit from an IRA?

In a sense, there is. Under the voluntary Federal portability system, you can transfer a vested interest from your present employer's plan to an IRA. Later, you may be able to transfer this interest again to a new employer's plan. Here's how it works.

Say you leave your present employment and take with you your entire vested interest in your employer's retirement plan. If you place this interest in an IRA within 60 days from the date you first became eligible to receive your payment, no Federal income taxes will currently be due on the amount you received.

Your payment can remain in your IRA until you retire or get a new job. If you get a new job, you can make additional contributions to your IRA, provided you don't become a participant in a retirement plan sponsored by your new employer. If you *do* begin participating in your new employer's plan, you can, with your new employer's consent, transfer funds from your IRA to the new plan *tax free*. Thus, either way, you can continue to build a tax-sheltered retirement fund without interruption.

15. How do you set up an account?

Opening an Individual Retirement Account is as easy as opening a savings account. Stop in and one of our officers will gladly assist you. Or, if you wish, call or write and the necessary forms will be promptly mailed to you.

Individual Retirement Accounts present an excellent opportunity for you to build a more secure future for you and your family. We would welcome the opportunity to discuss with you, firsthand, how such an account might benefit you. Why not get in touch with us today. There's no obligation, of course.

No one pays you more on insured savings than Belen Savings & Loan

MEMBER FSLIC

Offices

Belen Office
634 Becker Ave.
Belen, New Mexico 87002
Phone No. 864-4474

Socorro Office
201 Plaza, N.W.
Socorro, New Mexico 87801
Phone No. 835-1569

Grants Office
222 High St.
Grants, New Mexico 87020
Phone No. 287-4486

NEW OFFICE HOURS

Monday through Thursday
9 AM - 4 PM
Friday
9 AM - 6 PM

There's more for your money at *Belen*...

MEMBER FSLIC
Federal Savings & Loan Insurance Corp
Your Savings Insured to $40 000

NMFC
A Member of New Mexico Financial Corporation

BELEN SAVINGS

"THE SAVINGS PEOPLE"

Belen/Socorro/Grants

There's more for your money at *Belen...*

Your savings grow daily.

At Belen, you earn as you save. We apply your interest every day, paying as much as the government allows. You even earn interest from the first of the month on deposits made by the tenth. *That's ten days free interest!*

We have an earnings plan that's right for you!

Earn interest a number of ways at Belen. Choose a convenient Passbook Account or from five Bonus Savings Certificates.

Passbook Accounts offer the most convenience while Bonus Certificates earn the highest interest. If you decide on Passbook Savings, you'll be able to change your account balance at any time.

Passbooks earn 5.25% per annum.

And, because we compound our interest daily, your savings when left on deposit for one year will earn a yield of **5.39%**

Many people begin their earnings program with Passbook Accounts and then move up to Bonus Certificates as their savings accrue. Bonus Certificates are issued for savings kept on deposit specified periods of time.

90-Day* Bonus Certificates earn 5.75% yearly.

These Bonus Certificates are issued in any amount with no minimum. They must be kept on deposit for 90 days and when maintained for a full year earn a daily compounded interest yield of **5.92%**

For savers with larger amounts to deposit, our Bonus Certificates of 12 months, 30 months, 48 months and 72 months earn the most interest. Each requires a minimum deposit of $1000, and each earns interest compounded daily.

*On all certificates your money is available at all times. Certificates are compounded daily, payable quarterly. In the event of early withdrawal, government regulations provide that the interest on your account be reduced to the passbook rate, and further that 90 days interest be forfeited.

12 Month* Bonus Certificates earn 6.50% interest each year...

and have an annual yield of **6.72%**

30 Month* Bonus Certificates earn 6.75% per annum...

and their annual yield is **6.98%**

48 Month* Bonus Certificates earn 7.50% yearly...

with an annual yield of **7.79%**

6 Year* Bonus Certificates earn 7.75% per annum...

and their annual yield is **8.06%**

MEMBER
FSLIC
Federal Savings & Loan Insurance Corp.
Your Savings Insured to $40,000

Monthly Interest Checks

are available on any Certificate Account of $5000 or more. (One year Certificates or longer.)

Belen savers receive many *free* Bonus Services!

Once you've opened a Belen account you're entitled to *free travelers checks, free Belen service checks, free notary service, postage-free save-by-mail service, important papers copied free*-**even personal loans against your deposits at a rate just one percent more than your savings earn, and home improvement loans on a preferred basis.**

Tax-Sheltered Retirement Funds

IRA

The Individual Retirement account enables any wage earner who is not participating in a "qualified" pension or profit-sharing plan to contribute 15% of his annual earnings toward his retirement.

KEOGH PLAN

Gives an opportunity for self-employed persons to get tax deferral on their income.

Come talk to one of our counsellors and receive full information on either of these tax-sheltered retirement funds.

There is more ...at Belen!

New Account Form

Date _____, 19_____

Enclosed is ☐ Check ☐ Draft ☐ Money Order

in the amount of $_____ to open my **Belen** Account.

Please mail documents to

Name _____

Address _____

City _____

State _____ Zip _____

Account should read as follows:

_____

_____

☐ Individual Account ☐ Joint Tenancy Account ☐ Trust Account

Use this handy form to open your insured Belen Savings Account. Mail or carry it to the Belen office near you.

☐ 5.25 % Passbook
☐ 5.75 % 90 Day Certificate
☐ 6.50 % 12 Month Certificate
☐ 6.75 % 30 Month Certificate
☐ 7.50 % 48 Month Certificate
☐ 7.75 % 6 Year Certificate

Tax Identification Number

(Your Social Security Number)

Directors

Elmer W. Atwood

Dr. Eugene L. Coulson

Austin D. Lovett

Dr. J.A. Rivas

Pilar Sachs

W.R. Sanderson

Mrs. Emily P. Sedillo

Mrs. Marybel F. Seery

Edward M. Wells

Officers

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President

C.A. Boliver
Vice President

Larry Marsh
Assistant Vice President & Manager, Grants Branch

Mrs. Priscilla Salazar
Assistant Secretary

Mrs. Gladys Bacon
Assistant Secretary & Manager, Socorro Branch

Mrs. Jane Cowart
Assistant Secretary

BHHC 2-1-80

Belen Savings + Loan